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*Special Conflicts Counsel to the Official Committee of
Unsecured Creditors of Sears Holdings Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

x

In re: : Chapter 11
SEARS HOLDINGS CORPORATION, *et al.*, : Case No. 18-23538 (RDD)
Debtors¹ : (Jointly Administered)

**NINETEENTH MONTHLY FEE STATEMENT OF HERRICK, FEINSTEIN
LLP FOR PROFESSIONAL SERVICES RENDERED AND DISBURSEMENTS
INCURRED AS SPECIAL CONFLICTS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OF
JUNE 1, 2021 THROUGH JUNE 30, 2021**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRE Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179

Name of Applicant:	Herrick, Feinstein LLP
Authorized to Provide Professional Services To:	Special Conflicts Counsel to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, <i>et al.</i>
Date of Retention:	March 22, 2019 <i>nunc pro tunc</i> to January 2, 2019
Period for Which Compensation and Reimbursement Is Sought:	June 1, 2021 through June 30, 2021
Monthly Fees Incurred:	\$24,238.50
20% Holdback:	\$4,847.70
Total Compensation Less 20% Holdback:	\$19,390.80
Monthly Expenses Incurred:	\$200.00
Total Fees and Expenses Requested:	\$19,590.80

This is a x monthly ___ interim ___ final application

Herrick Feinstein LLP (“Herrick Feinstein”), special conflicts counsel to the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) of Sears Holding Corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby respectfully submits this statement of fees and disbursements (the “Nineteenth Combined Monthly Fee Statement”) covering the period from June 1, 2021 through June 30, 2021 (the “Compensation Period”) in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Order”) [ECF No. 796]. By the Nineteenth Combined Monthly Fee Statement, and after taking into account certain voluntary discounts and reductions, Herrick Feinstein requests (a) interim allowance and payment of compensation in the amount of \$19,390.80 (80% of \$24,238.50) for fees on account of reasonable and necessary professional services rendered to the Creditors’ Committee by Herrick

Feinstein, and (b) reimbursement of actual and necessary costs and expenses in the amount of \$200.00 incurred by Herrick Feinstein during the Compensation Period.

**FEES FOR SERVICES RENDERED
DURING THE COMPENSATION PERIOD**

Exhibit A sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Herrick Feinstein professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Herrick Feinstein for services rendered to the Creditors' Committee are the same rates that Herrick Feinstein charges generally for professional services rendered to its non-bankruptcy clients.

Exhibit B sets forth a task code summary that includes the aggregate hours per task code spent by Herrick Feinstein professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

Exhibit C sets forth a complete itemization of tasks performed by Herrick Feinstein professional and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

**EXPENSES INCURRED
DURING THE COMPENSATION PERIOD**

Exhibit D sets for a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

Exhibit E sets forth a complete itemization of disbursements incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

NOTICE AND OBJECTION PROCEDURES

Notice of this Nineteenth Combined Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji ([email: mmeghji@miiipartners.com](mailto:mmeghji@miiipartners.com)); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Eighth Avenue, New York, NY 10153, Attention: Ray C. Schrock ([email: ray.schrock@weil.com](mailto:ray.schrock@weil.com)), Jacqueline Marcus ([email:jacqueline.marcus@weil.com](mailto:jacqueline.marcus@weil.com)), Garrett A. Fail ([email: garrett.lail@weil.com](mailto:garrett.lail@weil.com)), and Sunny Singh ([email: sunny.singh@weil.com](mailto:sunny.singh@weil.com)); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg ([e-mail: paul.schwartzberg@usdoj.gov](mailto:paul.schwartzberg@usdoj.gov)) and Richard Morrissey ([e-mail: richard.morrissey@usdoj.gov](mailto:richard.morrissey@usdoj.gov)); (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake ([email:paul.leake@skadden.com](mailto:paul.leake@skadden.com)), Shana A. Elberg ([email:shana.elberg@skadden.com](mailto:shana.elberg@skadden.com)) and George R. Howard ([email: george.howard@skadden.com](mailto:george.howard@skadden.com)); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 ([e-mail: harnerp@ballardspahr.com](mailto:harnerp@ballardspahr.com)); (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott ([e-mail: marriott@ballardspahr.com](mailto:marriott@ballardspahr.com)) and Tobey M. Daluz ([e-mail: dalurt@ballardspahr.com](mailto:dalurt@ballardspahr.com)); and (vi) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Philip C. Dublin ([email: pdublin@akingump.com](mailto:pdublin@akingump.com)), Ira S. Dizengoff ([email:idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Sara Lynne Brauner ([email: sbrauner@akingump.com](mailto:sbrauner@akingump.com)), (collectively, the “Notice Parties”).

Objections to this Nineteenth Combined Monthly Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than **August 18, 2021**

(the “Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

If no objections to this Nineteenth Combined Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an objection to this Nineteenth Combined Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Nineteenth Combined Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

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Dated: New York, New York
August 3, 2021

HERRICK FEINSTEIN LLP

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*Special Conflicts Counsel to the Official
Committee of Unsecured Creditors of Sears
Holdings Corporation, et al.*

Exhibit A

Timekeeper Summary

PARTNERS	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Christopher W. Carty	Restructuring & Finance Litigation	2010	\$850.00	9.1	\$7,310.00
Sean O'Donnell	Restructuring & Finance Litigation	1998	\$1075.00	4.5	\$4,837.50
Total Partners				13.6	\$12,147.50
COUNSEL	DEPARTMENT	YEAR OF BAR ADMISSION	RATE	HOURS	AMOUNT
Kyle J. Kolb	Restructuring & Finance Litigation	2012	\$690.00	15.8	\$10,902.00
Total Counsel				15.8	\$10,902.00

PARALEGALS/ NON-LEGAL STAFF	DEPARTMENT	RATE	HOURS	AMOUNT
Larisa Poretsky	Litigation	\$410.00	2.9	\$1,189.00
Total Paralegals/ Non-Legal Staff			2.9	\$1,189.00

EXHIBIT B

Task Code Summary

Task Code	HOURS	AMOUNT (\$)
Fee/Employment Applications – B160	2.9	\$1,189.00
Other Contested Matters – B190	28.9	\$23,049.50
Total	31.80	\$24,238.50

Exhibit C

Itemized Fees



HERRICK

Official Committee of Unsecured Creditors of Sears Holdings
Attn: Ron Tucker
225 W. Washington Street
Indianapolis, IN 46204

July 19, 2021
Invoice Number: 549157
Matter Number: 19609.0001
Tax ID: 1662

Re: **Sears Bankruptcy**

Fees for legal services rendered through June 30, 2021 \$24,238.50

Expenses posted through June 30, 2021 200.00

TOTAL **\$24,438.50**

Unpaid balance from previous invoice(s) \$39,882.36

Total Due Now \$64,320.86

INVOICE PAYMENT IS DUE UPON RECEIPT. THANK YOU.

Kindly return this page with your
check payment to:

Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016

Send **wire or ACH payments to:**
Citibank, N.A.

ABA Number: 0089
Account Number: 6165
SWIFT #:

Credit card payments:
www.herrickpay.com

*URL/link redirects to our
processor SlimCD*



HERRICK

Invoice Number: 549157
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LEGAL SERVICES RENDERED:

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
06/01/21	K. Kolb	B190	Analyze proffer notes in connection with further demands and planning.	0.60
06/02/21	L. Poretsky	B160	Revise, redact, assemble exhibits, finalize and e-file HF Seventeenth Monthly Fee Statement April 1 2021 to April 30, 2021.	1.20
06/02/21	L. Poretsky	B160	Submit HF Seventeenth Monthly Fee Statement to Prime Clerk for service	0.40
06/11/21	K. Kolb	B190	Discuss next steps of investigation with C. Carty.	0.20
06/14/21	K. Kolb	B190	Draft proposed communication with investigation targets and related talking points.	0.20
06/16/21	C. Carty	B190	Analyze talking points for proffer calls.	0.50
06/18/21	C. Carty	B190	Confer with S. O'Donnell and K. Kolb regarding next steps to finalize investigation and analysis of same (0.6); review and comment on talking points for proffer calls (0.5).	1.10
06/18/21	K. Kolb	B190	Call regarding case strategy.	0.50
06/18/21	K. Kolb	B190	Email to opposing counsel regarding status update.	0.20
06/18/21	K. Kolb	B190	Draft strategy bullets for investigation update calls.	1.00
06/21/21	C. Carty	B190	Call with counsel to OCO Capital regarding investigation and prepare for same.	1.70
06/21/21	S. O'Donnell	B190	Confer with counsel for Omega; preparation for same; follow-up analysis re proffers; coordinate other confers.	1.20
06/21/21	K. Kolb	B190	Prepare for and attend update call with opposing counsel.	1.30
06/21/21	L. Poretsky	B160	Revise, redact, finalize HF Eighteenth Monthly Fee Statement and e-file	0.90
06/21/21	L. Poretsky	B160	Prepare Eighteenth Monthly Fee Statement for service, submit to Prime Clerk and discuss details of service	0.40
06/22/21	C. Carty	B190	Call with counsel to Barclays regarding investigation and prepare for same (1.1); call with counsel to Sculptor and prepare for same (0.6); analyze issues related to call with various counsel (1.2).	2.90
06/22/21	S. O'Donnell	B190	Coordinate meet and confers.	1.00
06/22/21	K. Kolb	B190	Email opposing counsel regarding further requests.	0.10
06/22/21	K. Kolb	B190	Prepare for and attend calls with counsel to Barclays and Sculptor.	1.60
06/22/21	K. Kolb	B190	Draft status update regarding investigation.	0.80



HERRICK

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<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u> HOURS</u>
06/22/21	K. Kolb	B190	Draft proposed agreement regarding investigation.	0.90
06/23/21	K. Kolb	B190	Draft agreement and affidavit.	0.70
06/24/21	S. O'Donnell	B190	Coordinate proffer confers and diligence re same.	0.50
06/25/21	C. Carty	B190	Analyze issues related to investigation updates (0.5); call with counsel to OCO Capital regarding follow up requests and prepare for same (0.7); review and revise email to UCC co-counsel regarding investigation status and updates (1.2).	2.40
06/25/21	S. O'Donnell	B190	Confer w/ team; review/revise committee update; conduct Omega followup call.	0.80
06/25/21	S. O'Donnell	B190	Confer re strategy and proffer; review/comment on Akin update email; coordinate affidavits and cooperation agreement.	1.00
06/25/21	K. Kolb	B190	Prepare for further conference with opposing counsel.	0.40
06/25/21	K. Kolb	B190	Draft update email to Committee regarding investigation.	0.50
06/25/21	K. Kolb	B190	Prepare for and attend update call with opposing counsel.	0.60
06/28/21	K. Kolb	B190	Revise update memo to UCC based on further negotiations with opposing counsel.	2.30
06/28/21	K. Kolb	B190	Draft affidavit to support investigation.	0.70
06/29/21	K. Kolb	B190	Draft affidavit for use in investigation.	0.90
06/29/21	K. Kolb	B190	Draft cooperation agreement.	1.70
06/30/21	K. Kolb	B190	Draft second affidavit for use in investigation.	0.60
TOTAL				\$24,238.50

LEGAL SERVICES SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Carty	8.60	850.00	7,310.00
K. Kolb	15.80	690.00	10,902.00
S. O'Donnell	4.50	1,075.00	4,837.50
L. Poretsky	2.90	410.00	1,189.00
TOTAL	31.80		\$24,238.50

DISBURSEMENTS:

AMOUNT



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	<u>AMOUNT</u>
E-Discovery Data Hosting	200.00
TOTAL:	<u>\$200.00</u>

TASK SUMMARY

<u>Task Code</u>	<u>Task Description</u>	<u>Hours</u>	<u>Amount</u>
B160	Fee/Employment Applications	2.90	1,189.00
B190	Other Contested Matters	28.90	23,049.50
TOTALS		31.80	\$24,238.50

PREVIOUS BILLS OUTSTANDING

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Original Amount</u>	<u>Less Credits Applied</u>	<u>Balance</u>
356647	07/16/20	62,817.18	60,748.68	2,068.50
544217	03/25/21	4,063.00	4,062.80	0.20
545915	04/30/21	9,632.00	7,725.60	1,906.40
546768	05/25/21	19,600.60	0.00	19,600.60
547628	06/16/21	16,306.66	0.00	16,306.66
Total Outstanding				\$39,882.36

Exhibit D

Disbursement Summary

E-Discovery Data Hosting	\$200.00
Total	\$200.00

Exhibit E

Itemized Disbursement

Disbursement Detail

Applied filtersss: Matter: Official Committee of Unsecured Creditor (19609) Sears Bankruptcy (0001), Transaction Date: From 2021-06-01 To 2021-06-30

Disbursement ID	↑ Client/Matter	Transaction Date	Disb Code	Quantity	To Bill Amount	Phase/Task	Narrative	Bill Number	Base Quantity	Billed Amount	Posted Period	Billed Period	Bill Date
					\$200.00					\$200.00			
9253637	Official Committee of Unsec Sears Bankruptcy (0001)	6/3/2021	E-Discovery Data Hosting Mi	1	\$100.00	Expenses Only (EXP.EXP) Expenses Only	Sears Bankruptcy UCC - Rule 549157		1	\$100.00	202106	202107	7/19/2021
9261552	Official Committee of Unsec Sears Bankruptcy (0001)	6/30/2021	E-Discovery Data Hosting Mi	1	\$100.00	Expenses Only (EXP.EXP) Expenses Only	Sears Bankruptcy UCC - Rule 549157		1	\$100.00	202106	202107	7/19/2021